



LEUCADIA
WASTEWATER
DISTRICT

LEADERS IN
ENVIRONMENTAL
PROTECTION

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Elaine Sullivan, Vice President
Matthew S. Brown, Director
Donald F. Omsted, Director
Chris Roesink, Director
Paul J. Bushee, General Manager

August 29, 2022

To: Potential Responders

Ref: 23-8105

Subject: Request for Proposals for Financial Planning Services

The Leucadia Wastewater District (LWD) is currently soliciting proposals for professional financial planning services from qualified firms. Enclosed please find a copy of the request for proposal (RFP) package that includes the draft scope of work for the project.

To be considered, five (5) copies of your firm's proposal must be submitted **by 5:00 p.m. (local time) on Thursday, September 29, 2022** to the following address:

Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009
Attention: Mr. Ryan Green, Director of Finance and Administration

In addition, a **pre-proposal meeting will be held on Thursday, September 8, 2022 at 10:00 a.m. in the District's boardroom**. All interested firms are encouraged to attend.

For ease of identification, please mark the lower left-hand corner of the envelope as follows: "Proposal for Financial Planning Services".

If you have any questions, please contact Ryan Green, Director of Finance and Administration, at (760) 753-0155 ext. 3012 or by e-mail at rgreen@lwwd.org.

Sincerely,

Paul J. Bushee
General Manager

Enclosure

**REQUEST FOR PROPOSAL
FOR FINANCIAL PLANNING
SERVICES FOR THE
LEUCADIA WASTEWATER DISTRICT**

August 29, 2022

Proposals Due – September 29, 2022 at 5:00 p.m. (local time)

Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009
(760) 753-0155

Attention: Ryan Green, Director of Finance & Administration

LEUCADIA WASTEWATER DISTRICT
REQUEST FOR PROPOSAL
FOR FINANCIAL PLANNING SERVICES

Ref: 23-8104

The Leucadia Wastewater District (LWD or District) is requesting proposals from qualified firms for financial planning services.

1. Background:

LWD is a public agency that provides wastewater services to approximately 63,000 residents in the northern portions of the City of Encinitas and the southeastern portions of the City of Carlsbad and Encinitas. LWD also operations a Recycled Water Treatment Facility that provides irrigation water to the Omni La Costa Resort and Spa's South Golf Course. LWD maintains approximately 20,600 service accounts and its annual operating budget is

LWD is overseen by a five-member Board of Directors that are publicly elected by District. LWD maintains a staff of 19 full time employees. LWD is a member of the Encina Wastewater Authority which operates and maintains a regional wastewater treatment plant that provides treatment services to LWD and five other public agencies.

Annually, the District adopts an operating and capital budget that describes the financial resources required to fund its current programs. For fiscal year 2023 (July 1, 2022 - June 30, 2023) projected revenues total \$15.1 million with projected expenditures totaling \$16.0 million, which includes \$2.3 million for the District's portion of the Wastewater Authority operating budget. The District presently funds on a pay-as-you-go basis and has no long-term debt financing obligations.

LWD is requesting proposals from qualified firms to develop an update to its financial plan. This request for proposals (RFP) includes the proposed scope of work and the selection process.

2. PROPOSED SCOPE OF WORK

LWD is seeking a firm to perform a full range of financial planning services. The District is particularly interested in firms that are able to demonstrate their background and experience in working with public sector organization finances.

LWD adopted a Financial Plan in 1989 to project future financial conditions of the District and to provide guidance in the financial planning process. The District routinely updates the plan on a four-to-five year cycle with major updates in 1995, 1999, 2004, 2008, 2013, and 2018. With annual revenue of approximately \$15.1 million and minimal growth remaining, the District is in a long-term operations and maintenance, and replacement mode.

The Executive Summary from LWD's 2018 Finance Plan Update is provided as Attachment 1. It shows guidelines used in the analysis as well as the findings and recommendations that were provided to the District for the Wastewater and Recycled Water Enterprises. The full report is available here: https://www.lwwd.org/sites/default/files/2020-11/LWD_Financial_Plan_Study2018.pdf

The purpose of this RFP is to update the District's Financial Plan using similar guidelines. The updated financial plan model shall be in a comprehensive excel spreadsheet format. The specific responsibilities of the selected firm will include, but are not limited to:

1. Assessing LWD's ability to fund financial needs on an operational and capital basis for wastewater and recycled water service for the short- and long-term, in compliance with statutory and policy requirements;
2. Evaluating sources and methods of funding for future operating and capital expenditures;
3. Reviewing and evaluating the appropriateness of LWD's capacity and reimbursement connection fees;
4. Illustrating projected financial conditions and reserves for LWD over the next 5, 10 and 20 years, incorporating current data such as LWD's historical financial records, economic and demographic characteristics, as well as engineering planning documents (including the soon to be completed Asset Management Plan update) and updated assumptions into a financial plan. Provide an electronic copy of the finished financial plan model to the District, which will be in a user-friendly workbook format;
5. Clearly communicating LWD's current and projected financial condition;
6. Facilitating a financial planning workshop, if required;
7. Presenting the updated Financial Plan to LWD's Board of Directors; and
8. Attendance at a public hearing, if required.

3. PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held at the following location on **September 8, 2022, 10:00 a.m.** to answer any questions that prospective firms may have regarding LWD's RFP:

Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009

All final proposals should be mailed to the above address, Attn: Ryan Green, Director of Finance & Administration.

4. PROPOSAL EVALUATIONS AND SELECTION

Proposals must be sealed and submitted no later than **5:00 p.m. PST on September 29, 2022**. Proposals will be evaluated by a Consultant Selection Panel, establish by LWD, based on the following criteria:

- a. Understanding of scope of work
- b. Demonstrated professional skills and credentials of the staff to be assigned to the project
- c. Technical competence of the staff to be assigned to the project
- d. Related experience and references
- e. Quality of the proposal
- e. Approach to implementing scope of work
- f. Proposed fee

The award of contract will not be based on the lowest fee proposed, but on a combination of all of the above factors.

Based on the Proposals submitted, the Panel will select a short-list of qualified firms for this Project. The short-listed firms will be further evaluated and LWD may request an interview from the short-listed firms to further assist in the selection process. Should LWD choose to require an interview process, the proposer will be required to make a short presentation, followed by a question and answer period.

After final selection, LWD will enter negotiations with the selected firm. If negotiations fail, LWD will enter negotiations with the second ranked firm.

After negotiating a proposed agreement that is fair and reasonable, the General Manager will recommend to the LWD's Board of Directors that LWD enter into the proposed agreement. LWD's Board of Directors has the final authority to approve the agreement.

LWD reserves the right to reject any and all proposals submitted and to request additional information from all proposers. All proposals submitted become the property of LWD.

5. PROPOSAL REQUIREMENTS:

The proposal shall be concise, well organized and demonstrate the responder's qualifications and experience applicable to the project. The proposal shall be limited to twenty one-sided pages (8-1/2" x 11"), exclusive of resumes, graphics, forms, dividers, front and back cover and cover letter.

Proposals submitted in response to this RFP shall include:

- A. Executive Summary
- B. Identification of Responder
 - Legal name and address of company
 - Legal form of company (partnership, corporation, joint venture, etc.)
 - Identity of parent companies, if applicable
 - Address(es) of office(s)
 - Name, title, address and telephone number of person to contact concerning the proposal
- C. Project Organization and Key Personnel

Describe proposed project organization, including identification and responsibilities of key personnel. Key personnel identified in the proposal shall not be removed and/or substituted by Consultant, or sub-consultant(s). Indicate role and responsibilities of prime consultant and all sub consultants. Identify current commitments, availability and location of all key personnel included in the proposal.

D. Qualifications, Experience and Technical Competence

Include a brief narrative summary that supports the project team's ability to successfully complete tasks identified in the Proposed Scope of Work.

E. Proposed Project Approach

The proposal shall set forth a work plan, including an explanation of the methodology to be followed, to be performed. Include a schedule of the work to be performed to meet the RFP requirements.

F. Exceptions to this RFP

The proposer shall certify that it takes no exceptions to this RFP, including, but not limited to, the LWD Standard Consulting Agreement, which can be found as Attachment 2. If the proposal does take exception(s) to any portion of the RFP, the specific portion of the RFP to which exception is taken shall be identified and explained.

G. Submittal Requirements

One executed original, clearly marked on the cover, and four copies of the Proposal shall be submitted. An individual, authorized to execute legal documents on behalf of the proposer, shall sign the Proposal.

6. Estimated Schedule:

EVENT	DATE
Solicit Proposals	August 29, 2022
Preproposal Meeting	September 8, 2022 (10:00 A.M.)
Proposals Due	September 29, 2022 (5:00 P.M.)
Interview Shortlist (If determined necessary)	October 12, 2022
Select Apparent Successful Firm	October 13, 2022
Board Sub-Committee Review	Week of October 24-28, 2022
Award Contract	November 9, 2022 (5:00 P.M.)

7. OTHER INFORMATION:

All questions regarding the RFP should be emailed to Ryan Green, Director of Finance & Administration, at rgreen@lwwd.org or discussed via (760) 753-0155 ext. 3012.

LWD reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected. Submission of a proposal constitutes acceptance by the firm of the conditions contained in this Request for Proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between LWD and the firm selected. LWD reserves the right to reject any and all proposals.

ATTACHMENT #1

**EXECUTIVE SUMMARY
FROM
2018 FINANCIAL PLAN UPDATE**

1. Executive Summary

1.1. Background

In January 2018, Leucadia Wastewater District (District) engaged Raftelis Financial Consultants, Inc. (Raftelis) to develop a Financial Plan Study (Study) for the District's wastewater enterprise and to review the financial health of the recycled water enterprise for fiscal years (FY) 2019 to 2038. The District utilizes a long-term financial planning process to project future financial conditions, provide guidance in the decision-making process, and ultimately to ensure the financial stability of the District. The District typically performs major financial plan updates every five years and minor updates based on actual financials on an annual basis. Performing annual updates ensures the District is aware of any major deviations from projections and allows the District to make any necessary adjustments in a timely manner.

1.2. Process

Raftelis worked closely with District staff on an ongoing basis via scheduled in-person meetings, workshops, and webinars. During the kick-off meeting, the major drivers for the study were determined and key information was reviewed and discussed. Raftelis used the knowledge gained during the kick-off meeting in conjunction with historical financial information, economic and demographic characteristics, industry standards, engineering planning documents (such as the Asset Management Plan), cost-sharing based on the District's ownership in Encina, and assumptions defined by District Staff to develop a long-term financial plan.

Raftelis hosted a financial plan workshop with District staff to present the preliminary results of the financial plan, receive feedback from District Management, and determine the scenarios to present to the Board. During the staff workshop key inputs, assumptions, revenues, and expenditures were reviewed. In addition, capital improvement scenarios, debt funding scenarios, and revenue adjustment options were evaluated. Working collaboratively with District Management, Raftelis refined the financial plan model and presented two scenarios to the District Board. Raftelis incorporated feedback on policies and objectives from the District Board and developed a financial plan to meet the following criteria:

- Continue with the current rate pattern of 3 years of increases followed by 3 years of no increases
- Positive net operating cash income each FY of the planning period
- Fully fund capital projects through Pay-As-You-Go (PAYGO) or cash on hand
- Establish and meet reserves targets through the majority of the study period

This Financial Plan Study Report (Report) includes a twenty-year financial plan, incorporates the capital improvement plan, examines reserves in both the short-term and the long-term planning horizon, proposes wastewater rate adjustments for the Study Period of FY 2019 to FY 2023, and projects wastewater revenue adjustments for the remaining years of the planning period (FY 2024 – FY 2038). The major objectives of the study include the following:

- Develop a financial plan for the wastewater enterprise to maintain the strong financial health of the enterprise
- Incorporate the recently completed Asset Management Plan Update and near term projected capital expenditures
- Evaluate the impacts of issuing debt to fund capital expenditures
- Review the financial position of the recycled water enterprise

- Develop sound and sufficient reserve fund targets

1.3. Results and Recommendations

The District is currently in a strong financial position, has healthy reserves, and the current wastewater rate of \$28.64 per month is well below the County average of \$48.97 per month. Based on the strong financial position, the District will be able to fund planned wastewater capital projects and maintain healthy reserves with reasonable revenue adjustments.

Table 1-1 shows the proposed monthly service charge per EDU through FY 2023 based on the proposed revenue adjustments. Although the table shows proposed revenue adjustments for FY 2021 through FY 2023, the District will review and confirm the needed revenue adjustments on an annual basis. Additionally, the proposed revenue adjustments are intended to ensure that the District maintains their strong financial position moving forward. All rates are rounded up to the nearest penny.

Table 1-1: Proposed Monthly Service Charge (\$ / EDU)

	FY 2018	Proposed FY 2019	Proposed FY 2020	Proposed FY 2021	Proposed FY 2022	Proposed FY 2023
Revenue Adjustment		0%	0%	10%	10%	10%
Monthly Service Charge per EDU	\$28.64	\$28.64	\$28.64	\$31.50	\$34.65	\$38.12
Yearly Service Charge per EDU	\$343.68	\$343.68	\$343.68	\$378.05	\$415.85	\$457.44

Overall, the proposed financial plan for the wastewater system aims to strike a balance between ensuring a strong financial position and, to the extent possible, minimizing rate increases to its customers through a multi-year measured approach. As shown in Table 1-1, it is recommended that the District maintains its current approach of three years of rate adjustments followed by three years of no rate adjustments. Additionally, Raftelis recommends fully funding capital projects through PAYGO.

The following figures illustrate the proposed wastewater financial plan over the planning period. The proposed financial plan assumes 7% revenue adjustments in FY 2027 through FY 2029 and 6% revenue adjustments in FY 2033 through FY 2035. Figure 1 illustrates the operating position of the wastewater enterprise, where expenses and net cashflow are shown by stacked bars and the total revenues at both current rates and proposed rates are shown by the horizontal trend lines. Figure 2 summarizes the projected CIP and its funding sources (100% PAYGO). Figure 3 displays the ending total reserve balance for the wastewater enterprise, inclusive of operating, capital, and emergency funds. The horizontal trend line indicates the target reserve balance and the bars indicate projected ending reserve balance. No new debt is proposed to be issued as part of the proposed 20-year financial plan. Figure 4 shows the projected monthly service charge per EDU based on the recommended revenue adjustments in the financial plan. The 2018 San Diego County wastewater average rate per EDU of \$48.97 is also shown in this figure as an orange line on the graph. This median figure was provided by the District from their recent Sewer Rate Survey of Cities and Special Districts in San Diego County and indicates that even with the proposed and recommended revenue adjustments, the District’s rates will remain below the County average at least until FY 2033 and likely beyond as other agencies increase their rates.

Figure 1: Operating Financial Position with Proposed Revenue Adjustments

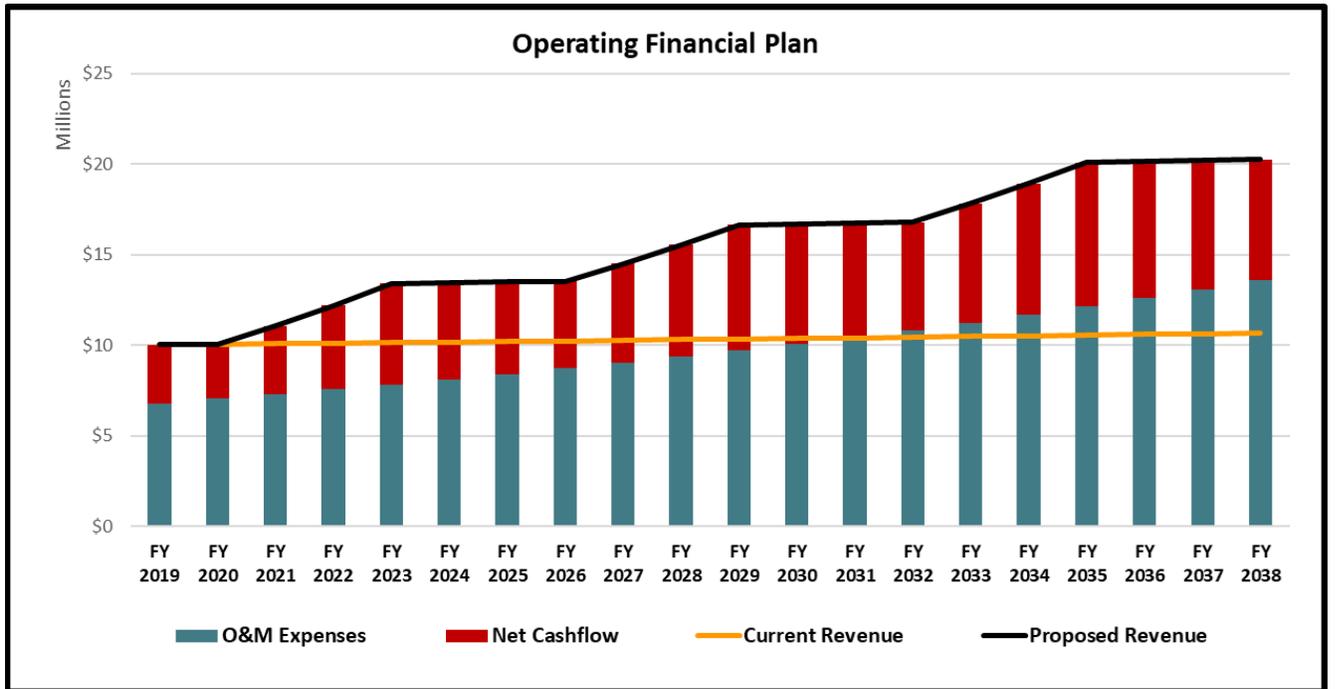


Figure 2: Proposed Wastewater Capital Improvement Plan and Funding Source

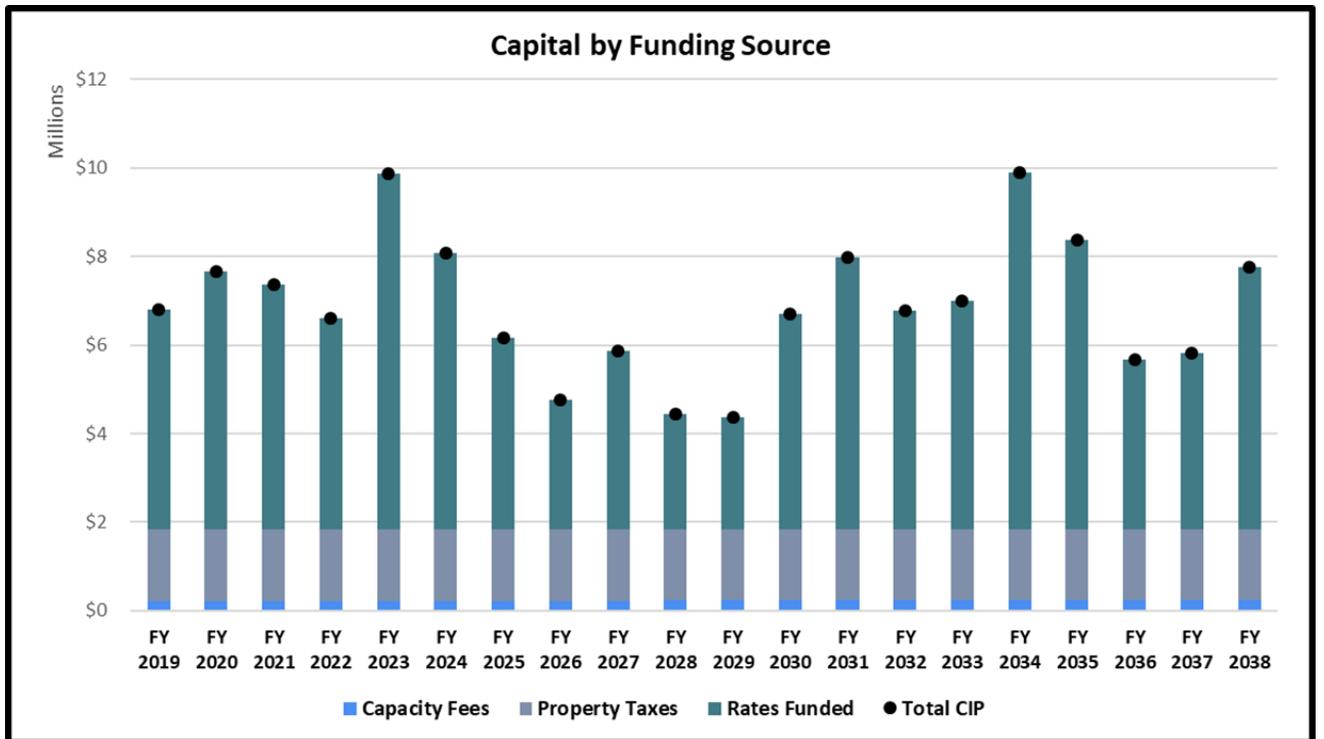


Figure 3: Projected Ending Wastewater Reserves at Projected Rates

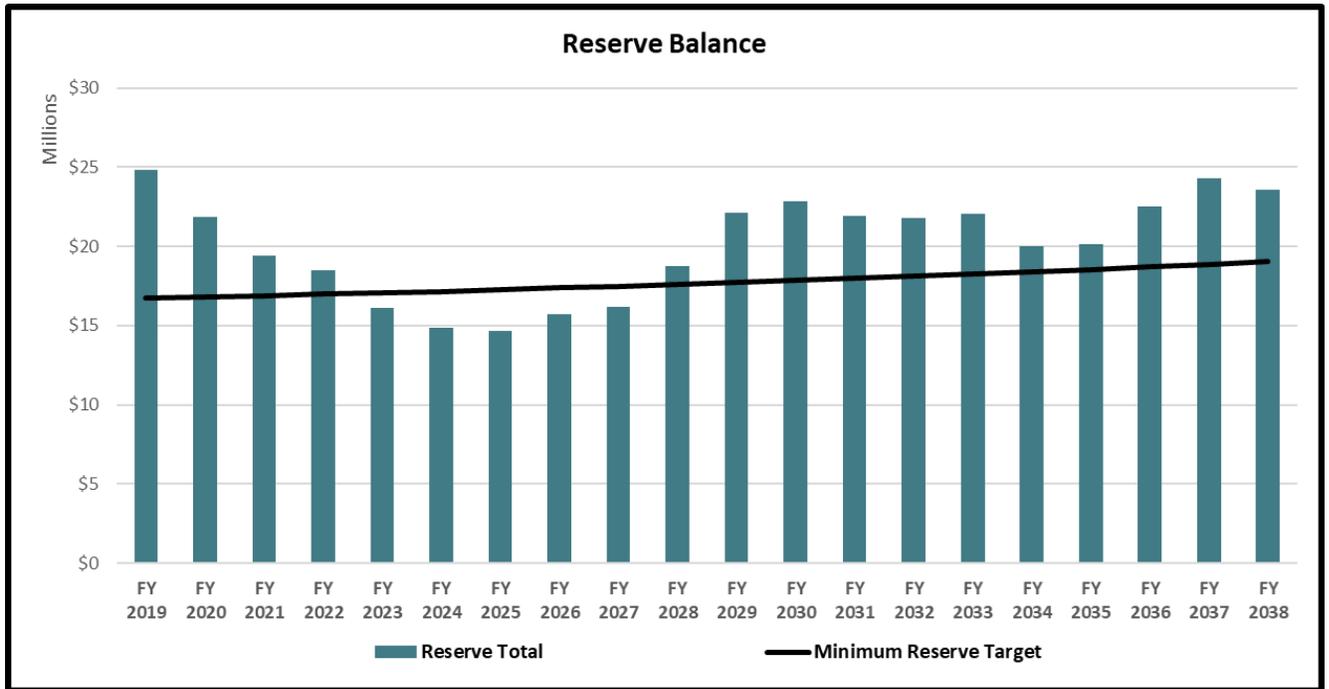
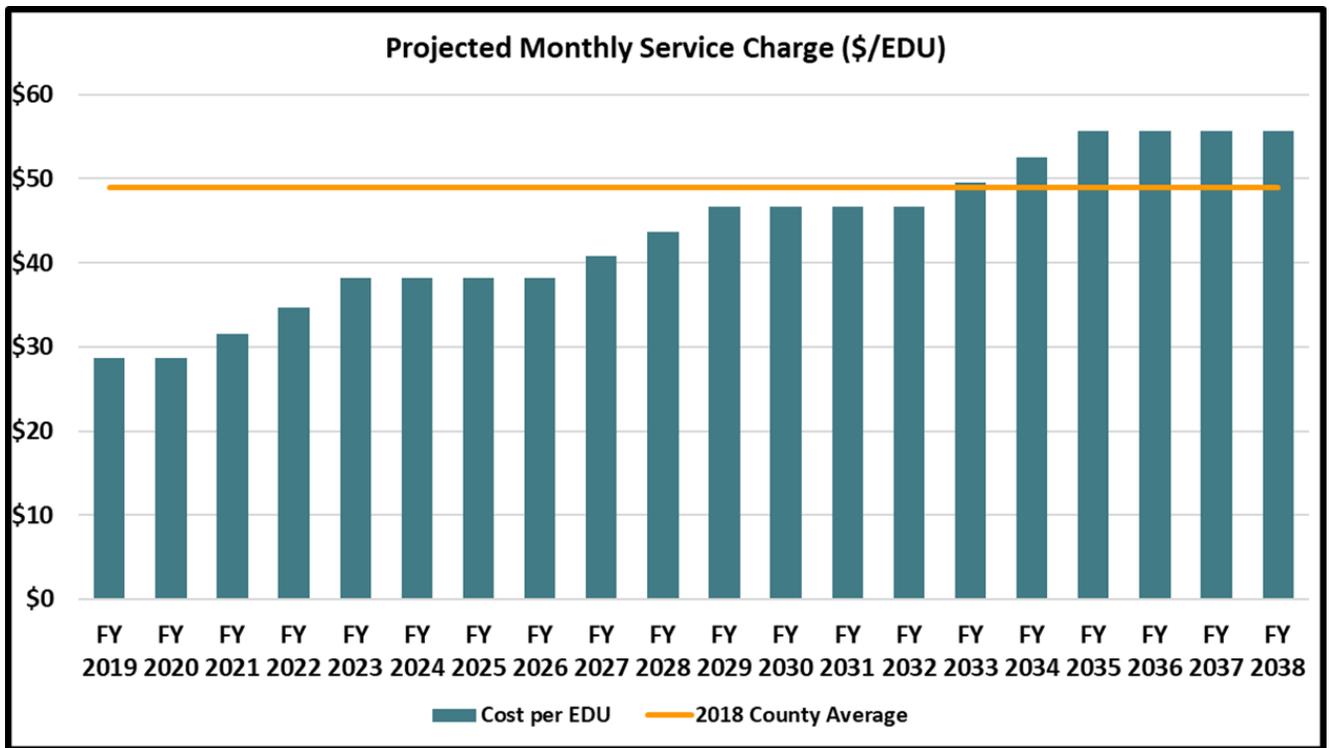


Figure 4: Projected Wastewater Monthly Service Charge per EDU



ATTACHMENT #2

**LEUCADIA WASTEWATER DISTRICT'S
STANDARD AGREEMENT**

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE LEUCADIA WASTEWATER DISTRICT
AND**

FOR FINANCIAL PLANNING SERVICES

Ref: _____

This Professional Services Agreement ("Agreement") is made on this ____ day of _____, 2022, between the LEUCADIA WASTEWATER DISTRICT ("DISTRICT"), and _____, ("CONSULTANT"), an independent contractor, with a principal place of business in _____, California.

**ARTICLE 1.
TERM OF CONTRACT**

1.01. This Agreement will become effective on the date stated above, and will continue in effect until the earlier of the completion of services provided for in this Agreement or until terminated as provided under Article 7.

**ARTICLE 2.
SERVICES TO BE PERFORMED BY CONSULTANT**

Specific Services

2.01. CONSULTANT will perform the deliverables within the scope described in Attachment A, Scope of Work. CONSULTANT will provide DISTRICT with periodic reports regarding the progress of services performed, at the DISTRICT's request. Any changes to the scope of services or timeframes identified in Attachment A must be authorized by the DISTRICT in writing.

2.02. CONSULTANT will determine the method, details, and means of performing the above-described services.

Status of CONSULTANT

2.03. CONSULTANT and its employee(s) are engaged in an independent contractor relationship with DISTRICT in performing all work, duties and obligations hereunder. DISTRICT shall not exercise any control or direction over the methods by which CONSULTANT shall perform its work and functions. DISTRICT's sole interest and responsibility is to ensure that the services covered by this Agreement are performed and rendered in a competent, satisfactory and legal manner. The parties agree that no work, act, commission or omission of CONSULTANT or its employee(s) pursuant to this Agreement shall be construed to make CONSULTANT or its employee(s) the agent, employee or servant of DISTRICT. CONSULTANT and its employee(s) are not entitled to receive from DISTRICT vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability benefits, unemployment benefits or any other employee benefit of any kind.

Payment of Income Taxes

2.04. CONSULTANT shall be solely responsible for paying all federal and state employment and income taxes, for carrying workers' compensation insurance and for otherwise complying with all other employment law requirements with respect to CONSULTANT or its employee(s).

2.05. CONSULTANT agrees to indemnify, defend and hold DISTRICT harmless from any and all liability, damages or losses (including attorneys' fees, costs, penalties and fines) DISTRICT suffers as a result of (a) CONSULTANT's failure to meet its obligations under paragraph 2.04, or (b) a third party's designation of CONSULTANT or its employee as an employee of DISTRICT, regardless of any actual or alleged negligence by DISTRICT.

Compliance with Laws/Rules

2.06. CONSULTANT will perform all services under this agreement in good faith and in the best interests of DISTRICT. In performing the services specified in this Agreement, CONSULTANT agrees to comply with all federal and state laws, rules and regulations, applicable DISTRICT policies and procedures, departmental rules and other directives applicable to the services to be performed. Any changes to DISTRICT policies and procedures that relate to CONSULTANT will be provided to CONSULTANT in writing. CONSULTANT agrees to review such policies, procedures, rules and directives the contents of which CONSULTANT will be deemed to have knowledge.

ARTICLE 3 PROJECT TEAM

3.01 DISTRICT has a primary interest in maintaining the individual services of the following key project team members:

1. _____
2. _____

No member of the project team shall be removed from the project team or reassigned by CONSULTANT without prior approval of DISTRICT. Such approval shall not be unreasonably withheld or delayed. The CONSULTANT shall be required to immediately inform the DISTRICT should any of the key members become unavailable. The credentials for substitutes for key project members must be submitted to the DISTRICT for review and approval. An interview may also be required if so desired by the DISTRICT.

ARTICLE 4 COMPENSATION

4.01 Compensation for all work performed under this Agreement shall be calculated on a time and materials basis. Compensation for the services described in Attachment A shall not exceed \$_____. This amount shall not be exceeded unless there is a change in scope of work, in writing and agreed to by both parties. The parties agree that this compensation was developed in accordance with the customary and prevailing compensation level in the community and surrounding area for comparable services. CONSULTANT and DISTRICT agree that this fee was arrived at through arm's length negotiations between the parties.

Payment of Expenses

4.02 DISTRICT will reimburse CONSULTANT for all reasonable expenses incurred in performing services under this Agreement as the work progresses. CONSULTANT shall submit invoices to the DISTRICT'S Project Manager once per month. Such invoices shall include a brief narrative description of the work performed, as well as detailed time expenditures on a task by task basis. The term "expenses" means telephone bills, federal express charges, mailing charges and any other pre-approved expenses by DISTRICT. CONSULTANT will provide DISTRICT with receipts for all expenses. DISTRICT shall make payment to CONSULTANT within forty-five (45) days of receipt of approved invoice. Payment provision for any service other than those described in Attachment A will be set forth in an amendment to the Agreement.

ARTICLE 5 OBLIGATIONS OF CONSULTANT

Non-Exclusive Relationship

5.01 CONSULTANT may represent, perform services for, and contract with as many additional clients, persons, or companies as CONSULTANT, in its sole discretion, sees fit. However, CONSULTANT shall be responsible for ensuring that its relationship with additional clients, persons, or companies do not violate conflict of interest laws.

Tools, Materials, and Equipment

5.02 CONSULTANT will supply all tools materials, and equipment required to perform the services under this Agreement.

CONSULTANT'S Qualifications

5.03 CONSULTANT represents that its employee(s) has the qualifications and skills necessary to perform the services under this Agreement in a competent, professional manner, without the advice or direction of DISTRICT. This means CONSULTANT is able to fulfill the requirements of this Agreement. Failure to perform all the services required under this Agreement constitutes a material breach of the Agreement. CONSULTANT has complete and sole discretion for the manner in which the work under this Agreement will be performed.

Indemnity

5.04 CONSULTANT agrees to indemnify, defend, and hold DISTRICT and its officials, officers, directors, agents and employees free and harmless from all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including for bodily injury and property damage, interest, penalties, attorneys' fees, litigation expenses and costs that such entities or persons may incur as a result of any negligent act or omission by CONSULTANT or a breach by CONSULTANT of any representation or agreement contained in this Agreement. CONSULTANT'S provision of insurance coverage as described in Section 5.05 below shall not affect CONSULTANT'S indemnity obligations.

Insurance

5.05 CONSULTANT will provide and keep in full force and effect during the term of this Agreement the insurance policies listed below. Insurance will be purchased from insurance companies with a current A.M. Best's rating of no less than A:VI, unless otherwise agreed to in

Assignment

5.07 Neither this Agreement nor any duties or obligations under this Agreement may be assigned by CONSULTANT without the prior written consent of DISTRICT.

ARTICLE 6 OBLIGATIONS OF DISTRICT

6.01 DISTRICT agrees to comply with all reasonable requests of CONSULTANT and provide access to all documents reasonably necessary to the performance of CONSULTANT's duties under this Agreement.

Indemnity

6.02 DISTRICT agrees to indemnify, defend, and hold CONSULTANT free and harmless from all claims, demand, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, attorneys' fees, and costs, that CONSULTANT may incur as a result of a breach by DISTRICT of any representation or agreement contained in this Agreement.

ARTICLE 7 TERMINATION OF AGREEMENT

Termination for Default

7.01 If either party defaults in the performance of this Agreement or materially breaches any of its provisions, the non-breaching party may immediately terminate this Agreement by giving written notification to the breaching party. Termination will take effect immediately on receipt of notice by the breaching party or five (5) calendar days after mailing of notice, whichever occurs first. For the purposes of this paragraph, material breach of this Agreement includes, but is not limited to, the following:

7.01.1 CONSULTANT's failure to complete the services specified in Article 2 of this Agreement.

7.01.2 CONSULTANT's material breach of any representation or term contained in this Agreement.

7.01.3 DISTRICT's material breach of any representation or agreement contained in this Agreement.

Termination Without Cause

7.02 DISTRICT may terminate or abandon any portion or all of the work without cause by giving thirty (30) calendar days written notice. Notice shall be delivered by certified mail, return receipt requested. In such event, DISTRICT shall negotiate a revision to the compensation based on documentation of work completed to-date, however, no amount shall be allowed for anticipated profits or unperformed services. Upon termination of the agreement, DISTRICT will be given immediate title to all written data, original drawings and other documents, developed for that portion of the work completed and/or being terminated or abandoned.

Compensation Upon Termination

7.03 Upon termination of this agreement under Sections 7.01 or 7.02 above, DISTRICT will pay to CONSULTANT any outstanding service fees or expenses minus any costs reasonably incurred by DISTRICT related to CONSULTANT's services under this Agreement prior to the notice of termination.

**ARTICLE 8
PROPRIETARY RIGHTS
Confidential Information**

8.01 Any written, printed, graphic, or electronically or magnetically recorded information furnished by DISTRICT for CONSULTANT's use are the sole property of DISTRICT. This proprietary information includes, but is not limited to, customer requirements, customer lists, marketing information, and information concerning DISTRICT employees, products, services, prices, operations, and subsidiaries.

8.02 CONSULTANT and its employee(s) will keep this confidential information in the strictest confidence, and will not disclose it by any means to any person except with DISTRICT approval, and only to the extent necessary to perform the services under this Agreement. This prohibition also applies to CONSULTANT's employees, agents, and subcontractors. On termination of this Agreement, CONSULTANT will promptly return any confidential information in its possession to DISTRICT.

**ARTICLE 9
GENERAL PROVISIONS
Notices**

9.01 Any notices required to be given under this Agreement by either party to the other may be affected by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices must be addressed to the parties at the addresses below, but each party may change the address by giving written notice in accordance with this paragraph. Notices delivered personally will be deemed communicated as of actual receipt; mailed notices will be deemed communicated as of the day of receipt or the fifth day after mailing, whichever occurs first.

To DISTRICT: Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, California 92009
Attention: Mr. Ryan Green

To CONSULTANT: _____

Attention: _____

Entire Agreement of the Parties

9.02 This Agreement contains the entire understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and

understandings, inducements, or conditions, express or implied, oral or written, except as herein contained. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof. This Agreement may not be modified or amended other than by an agreement in writing.

Partial Invalidity

9.03 If any non-material provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

Attorneys' Fees

9.04 If any legal action, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

Document and Materials Ownership

9.05 All original drawings, copies of documents and materials developed for the project, including detailed calculations, shall be furnished to and become the property of DISTRICT. The DISTRICT agrees to indemnify the CONSULTANT for claims, damages, or liabilities caused by any use by the DISTRICT of the plans, drawings, specifications, and all information gathered by the CONSULTANT on any project other than the one for which such plans, drawings, and specifications were prepared and information gathered by the CONSULTANT.

Governing Law

9.06 This Agreement and all questions relating to its validity, interpretation, performance, and enforcement (including, without limitation, provisions concerning limitations of actions), shall be governed by and construed in accordance with the laws of the state of California, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary and without the aid of any canon, custom, or rule of law requiring construction against the draftsman.

Executed in San Diego County, California, on the day first written above.

LEUCADIA WASTEWATER DISTRICT

NAME OF CONSULTANT

By: _____
Paul J. Bushee, General Manager

By: _____
NAME, TITLE

ATTACHMENT A

SCOPE OF WORK

TASK	DESCRIPTION
1.	Assessing LWD's ability to fund financial needs on an operational and capital basis for wastewater and recycled water service for the short- and long-term, in compliance with statutory and policy requirements;
2.	Evaluating sources and methods of funding for future operating and capital expenditures;
3.	Reviewing and evaluating the appropriateness of LWD's capacity and reimbursement connection fees;
4.	Illustrating projected financial conditions and reserves for LWD over the next 5, 10 and 20 years, incorporating current data such as LWD's historical financial records, economic and demographic characteristics, as well as engineering planning documents (including the soon to be completed Asset Management Plan update) and updated assumptions into a financial plan. Provide an electronic copy of the finished financial plan and financial plan model to the District, which will be in a user-friendly workbook format;
5.	Clearly communicating LWD's current and projected financial condition;
6.	Facilitating a financial planning workshop, if required;
7.	Presenting the updated Financial Plan to LWD's Board of Directors; and
8.	Attendance at a public hearing, if required.